[Billing Code 3290-F7]

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Request for Comments on Negotiating Objectives Regarding Modernization of the North American Free Trade Agreement with Canada and Mexico

AGENCY: Office of the United States Trade Representative.

ACTION: Request for comments and notice of public hearing.

SUMMARY: The United States intends to commence negotiations with Canada and Mexico regarding modernization of the North American Free Trade Agreement (NAFTA). The NAFTA was negotiated more than 25 years ago, and, while our economy and U.S. businesses have changed considerably over that period, NAFTA has not. The United States seeks to support higher-paying jobs in the United States and to grow the U.S. economy by improving U.S. opportunities under NAFTA. Our specific objectives for this negotiation will comply with the specific objectives set forth by Congress in section 102 of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015. The Office of the United States Trade Representative (USTR) is seeking public comments on matters relevant to the modernization of NAFTA in order to inform development of U.S. negotiating positions.

DATES: If you want to testify at the hearing, you must provide written notification and a summary of your testimony by Monday, June 12, 2017. Written comments also are due by Monday, June 12, 2017. A hearing will be held at 9 a.m. in the Main Hearing Room of the United States International Trade Commission, 500 E Street SW, Washington, D.C. 20436, on Tuesday, June 27, 2017.

ADDRESSES: You should submit notifications of intent to testify and written comments through the Federal eRulemaking Portal: http://www.regulations.gov. Follow the instructions for submitting comments in part 3 below. For alternatives to on-line submissions, please contact Yvonne Jamison, Trade Policy Staff Committee, at (202) 395-3475.

FOR FURTHER INFORMATION CONTACT: For procedural questions concerning written comments or participation in the public hearing, contact Yvonne Jamison at (202) 395-3475. Direct all other questions regarding this notice to Daniel Watson, Deputy Assistant United States Trade Representative for North America, at (202) 395-9587.

SUPPLEMENTARY INFORMATION.

1. Background

The United States commenced bilateral trade negotiations with Canada more than 30 years ago, resulting in the U.S.-Canada Free Trade Agreement, which entered into force on January 1, 1989. In 1991, bilateral talks began with Mexico, which Canada joined. The NAFTA followed, entering into force on January 1, 1994. Tariffs were eliminated progressively and all duties and quantitative restrictions, with the exception of those on a limited number of agricultural products traded with Canada, were eliminated by 2008. NAFTA also includes chapters covering rules of origin, customs procedures, agriculture and sanitary and phytosanitary measures, government procurement, investment, trade in services, protection of intellectual property rights, and dispute settlement procedures. For the full NAFTA text, please see https://www.nafta-sec-alena.org/Home/Texts-of-the-Agreement/North-American-Free-Trade-Agreement.

On May 18, 2017, following consultations with relevant Congressional committees, the U.S. Trade Representative informed Congress that the President intends to commence negotiations with Canada and Mexico with respect to the NAFTA.

2. Public Comment and Hearing

To assist USTR as it develops its negotiating objectives and positions for the agreement, the Trade Policy Staff Committee (TPSC) invites interested persons to submit comments and/or oral testimony at a public hearing on matters relevant to the modernization of the NAFTA. In particular, the TPSC invites comments addressed to:

- (a) General and product-specific negotiating objectives for Canada and Mexico in the context of a NAFTA modernization.
- (b) Economic costs and benefits to U.S. producers and consumers of removal of any remaining tariffs and removal or reduction of non-tariff barriers on articles traded with Canada and Mexico.
- (c) Treatment of specific goods (described by HTSUS numbers), including comments on—
 - (1) Product-specific import or export interests or barriers,
 - (2) Experience with particular measures that should be addressed in negotiations, and
 - (3) Addressing any remaining tariffs on articles traded with Canada, including ways to address export priorities and import sensitivities related to Canada and Mexico in the context of the NAFTA.
- (d) Customs and trade facilitation issues that should be addressed in the negotiations.

- (e) Appropriate modifications to rules of origin or origin procedures for NAFTA qualifying goods.
- (f) Any unwarranted sanitary and phytosanitary measures and technical barriers to trade imposed by Canada and Mexico that should be addressed in the negotiations.
- (g) Relevant barriers to trade in services between the United States and Canada and Mexico that should be addressed in the negotiations.
- (h) Relevant digital trade issues that should be addressed in the negotiations.
- (i) Relevant trade-related intellectual property rights issues that should be addressed in the negotiations.
- (j) Relevant investment issues that should be addressed in the negotiations.
- (k) Relevant competition-related matters that should be addressed in the negotiations.
- Relevant government procurement issues that should be addressed in the negotiations.
- (m) Relevant environmental issues that should be addressed in the negotiations.
- (n) Relevant labor issues that should be addressed in the negotiations.
- (o) Issues of particular relevance to small and medium-sized businesses that should be addressed in the negotiations.
- (p) Relevant trade remedy issues that should be addressed in the negotiations.
- (q) Relevant state-owned enterprise issues that should be addressed in the negotiations.

USTR must receive written comments no later than Monday, June 12, 2017.

A hearing will be held on Tuesday, June 27, 2017 at 9:00 am, in the Main Hearing Room at the U.S. International Trade Commission, 500 E St. SW, Washington DC 20436. If necessary, the hearing will continue on the next business day. Persons wishing to testify orally at the hearing must provide written notification of their intention by Monday, June 12, 2017. The intent to testify notification must be made in the "Type Comment" field under docket number USTR-2017-0006 on the regulations.gov website and should include the name, address and telephone number of the person presenting the testimony. You should attach a summary of the testimony by using the "Upload File" field. The name of the file also should include who will be presenting the testimony. Remarks at the hearing should be limited to no more than five minutes to allow for possible questions from the TPSC.

You should submit all documents in accordance with the instructions in section 3 below.

3. Requirements for Submissions

Persons submitting a notification of intent to testify and/or written comments must do so in English and must identify (on the first page of the submission) "NAFTA Negotiations."

In order to ensure the timely receipt and consideration of comments, USTR strongly encourages commenters to make on-line submissions, using the www.regulations.gov website. To submit comments via www.regulations.gov, enter docket number USTR-2017-0006 on the home page and click "search." The site will provide a search-results page listing all documents associated with this docket. Find a

reference to this notice and click on the link entitled "Comment Now!" (For further information on using the www.regulations.gov website, please consult the resources provided on the website by clicking on "How to Use This Site" on the left side of the home page.)

The www.regulations.gov website allows users to provide comments by filling in a "Type Comment" field, or by attaching a document using an "Upload File" field. USTR prefers that comments be provided in an attached document. If a document is attached, it is sufficient to type "See attached" in the "Type Comment" field. USTR prefers submissions in Microsoft Word (.doc) or Adobe Acrobat (.pdf). If the submission is in a different application, please indicate the name of the application in the "Type Comment" field.

For any comments submitted electronically containing business confidential information, the file name of the business confidential version should begin with the characters "BC." Any page containing business confidential information must be clearly marked "BUSINESS CONFIDENTIAL" on the top of that page. Filers of submissions containing business confidential information must also submit a public version of their comments. The file name of the public version should begin with the character "P." The "BC" and "P" should be followed by the name of the person or entity submitting the comments. Filers submitting comments containing no business confidential information should name their file using the name of the person or entity submitting the comments.

Please do not attach separate cover letters to electronic submissions; rather, include any information that might appear in a cover letter in the comments themselves.

Similarly, to the extent possible, please include any exhibits, annexes, or other

attachments in the same file as the submission itself, not as separate files.

As noted above, USTR strongly urges submitters to file comments through

www.regulations.gov. Any alternative arrangements must be made with Yvonne Jamison

in advance of transmitting the comments. You can contact Ms. Jamison at (202) 395-

3475. General information concerning USTR is available at www.ustr.gov.

Comments will be placed in the docket and open to public inspection, except

business confidential information. Comments may be viewed on the

www.regulations.gov website by entering the relevant docket number in the search field

on the home page.

Edward Gresser

Chair of the Trade Policy Staff Committee

Office of the United States Trade Representative

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